

Use of Fuzzy Logic in the Corporate Reputation Assessment: Stock Market Investors' Perspective

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Abstract : The growing importance of reputation in building enterprise value and achieving long-term competitive advantage creates the need for its measurement and evaluation for the management purposes (effective reputation and its risk management). The paper presents practical application of self-developed corporate reputation assessment model from the viewpoint of stock market investors. The model has a pioneer character and example analysis performed for selected industry is a form of specific test for this tool. In the proposed solution, three aspects - informational, financial and development, as well as social ones - were considered. It was also assumed that the individual sub-criteria will be based on public sources of information, and as the calculation apparatus, capable of obtaining synthetic final assessment, fuzzy logic will be used. The main reason for developing this model was to fulfill the gap in the scope of synthetic measure of corporate reputation that would provide higher degree of objectivity by relying on "hard" (not from surveys) and publicly available data. It should be also noted that results obtained on the basis of proposed corporate reputation assessment method give possibilities of various internal as well as inter-branch comparisons and analysis of corporate reputation impact.

Keywords : corporate reputation, fuzzy logic, fuzzy model, stock market investors

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